

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
GREENVILLE DIVISION**

IN RE:)	CASE NO:
)	
Carolina Proud Investment Group, LLC,)	25-01063-5-PWM
)	
DEBTOR)	CHAPTER 11

MOTION FOR SHOW CAUSE

NOW COMES the Bankruptcy Administrator for the Eastern District of North Carolina (“BA”), by and through undersigned counsel, who respectfully moves this Court for an order directing Carolina Proud Investment Group, LLC (“Debtor”) to appear and show cause as to why this case should not be dismissed; and, in support thereof, shows the Court the following:

1. The Debtor filed the above-captioned case under Chapter 11 of the United States Bankruptcy Code on March 24, 2025. The Debtor elected to proceed under Subchapter V of Title 11 of the United States Bankruptcy Code. On March 25, 2025, Ciara L. Rogers was appointed Subchapter V Trustee.

2. The Debtor owns several pieces of real property, including a Commercial Building located at 28 Jacobs Road, Youngstown, Ohio (“Commercial Property”). The Commercial Property is currently occupied and rented by a restaurant.

3. Since the petition date, the Debtor has provided a copy of the insurance policy showing coverage for the Commercial Property. The policy shows that the named insured on the policy is not the Debtor, but rather the restaurant that operates upon the Commercial Property. The BA has informed the Debtor that the insurance coverage for the Commercial

Property needs to be in the name of the Debtor. As of the date of this filing, the Debtor has not provided an updated policy.

4. Given the nature of the Debtor's operations, the BA requested that the Debtor obtain a General Liability Policy. As of the date of this filing, the Debtor has not obtained a General Liability Policy.

5. On Schedule A/B, the Debtor lists two bank accounts maintained at First Citizens, xx3970 and xx3989. As of the date of this filing, the Debtor has failed to provide copies of bank records for the one-year period prior to filing for the First Citizens accounts.

6. Within the Statement of Financial Affairs, the Debtor lists two bank accounts maintained at Bank of America, xx5189 and xx1069, that were closed in February 2025. As of the date of this filing, the Debtor has failed to provide copies of bank records for the one-year period prior to filing for these Bank of America accounts.

7. Since the petition date, the Debtor has provided copies of bank records for two additional Bank of America accounts, xx5116 and xx8409. These additional bank accounts are not disclosed within the Debtor's schedules and statements, and the BA currently does not know if these accounts have been closed.

8. Given the failure on the part of the Debtor to obtain sufficient insurance coverage and to provide necessary bank account documentation, the BA requests that the Court schedule a show cause hearing.

WHEREFORE, based upon the foregoing, the Bankruptcy Administrator respectfully requests that the Court enter an order upon the Debtor to appear and show cause why this case should not be dismissed; and, grant such other and further relief the Court may deem just and proper.

Respectfully submitted, this 6th day of May, 2025.

Brian C. Behr
U.S. Bankruptcy Administrator

By: /s/ Kylie Bouplon Beresford
Kylie Beresford
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CERTIFICATE OF SERVICE

I, Rick P. Hinson, of 434 Fayetteville Street, Suite 640, Raleigh, North Carolina, 27601, certify:

That I am, and at all times hereinafter mentioned was, more than eighteen (18) years of age.

That on this day, I served copies of the foregoing document upon the following via Regular U.S. Mail:

Christopher Scott Kirk
C. Scott Kirk, Attorney at Law, PLLC
1025C Director Court

Carolina Proud Investment Group, LLC
Attn: Managing Agent
411 River Branch Rd.
Greenville, NC 27858

Ciara L. Rogers, Trustee
Waldrep Wall Babcock & Bailey PLLC
3600 Glenwood Avenue
Suite 210
Raleigh, NC 27612

I certify under penalty of perjury that the foregoing is true and correct.

Dated this 6th day of May, 2025.

Brian C. Behr
Bankruptcy Administrator

By: /s/Rick P. Hinson
Rick P. Hinson
Operations Supervisor
Bankruptcy Administrator's Office
434 Fayetteville Street, Suite 640
Raleigh, NC 27601